



General Assembly

January Session, 2009

Raised Bill No. 6500

LCO No. 3588

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Referred to Committee on General Law

Introduced by:
(GL)

AN ACT CONCERNING HEATING OIL AND PROPANE GAS CHARGES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16a-21 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2009*):

3 (a) No person, firm or corporation shall sell at retail fuel oil or
4 propane gas to be used for residential heating without a written
5 contract with the purchaser that contains all the terms and conditions
6 for delivery of such retail fuel oil or propane gas and the amount of
7 fees, charges or penalties, including tank removal and inspection fees,
8 minimum usage fees, liquidated damages and hazardous materials
9 fees assessed to the purchaser under such contract and without placing
10 the unit price, clearly indicated as such, the total number of units sold
11 and the amount of any delivery surcharge in a conspicuous place on
12 the delivery ticket given to the purchaser or an agent of the purchaser
13 at the time of delivery. No person, firm or corporation may bill or
14 otherwise attempt to collect from any purchaser of retail fuel oil or
15 propane gas an amount which exceeds the unit price multiplied by the
16 total number of units stated on the delivery ticket, plus the amount of

17 any delivery surcharge stated on the ticket. For the purpose of this
18 section, unit price means the price per gallon computed to the nearest
19 tenth of a whole cent. Any written contract required by this section
20 shall be in plain language pursuant to section 42-152 and any fee,
21 charge or penalty disclosed in such contract shall be in twelve-point,
22 boldface type of uniform font. The requirement that any contract be in
23 writing as set forth in this section may be satisfied pursuant to the
24 provisions of (1) the Connecticut Uniform Electronic Transactions Act,
25 sections 1-266 to 1-286, inclusive, (2) sections 42a-7-101 to 42a-7-106,
26 inclusive, and (3) the Electronic Signatures in Global and National
27 Commerce Act, 15 USC 7001 et seq. Except as provided in subsection
28 (e) of this section, verbal telephonic communications shall not satisfy
29 the written requirement of this section. The requirement that any
30 contract be in writing as set forth in this section shall not apply to any
31 retail fuel oil or propane gas contract where no fee, charge or penalty is
32 assessed, except for the unit price of the retail fuel oil or propane gas
33 delivered to a purchaser and any surcharge authorized under section
34 16a-22b, as amended by this act. No contract for the delivery of retail
35 fuel oil or propane gas under this section shall include a provision for
36 liquidated damages for a purchaser breach of such contract where the
37 liquidated damages exceeds the actual damages to the retail fuel oil or
38 propane gas retailer caused by such breach.

39 (b) Any person, firm or corporation who violates subsection (a) of
40 this section shall be fined not more than one hundred dollars for the
41 first offense nor more than five hundred dollars for each subsequent
42 offense.

43 (c) The provisions of this section shall not apply to any existing
44 purchaser of a person, firm or corporation selling retail fuel oil or
45 propane gas on October 1, 2009, who has a valid written contract on
46 said date.

47 (d) The provisions of this section shall not apply to a customer of
48 any person, firm or corporation selling retail fuel oil or propane gas on

49 October 1, 2009, who does not have a valid written contract on said
50 date, provided such customer shall have the right to discontinue
51 delivery service at any time and shall not be subject to any additional
52 costs or fees of any kind, including, but not limited to, equipment
53 removal and inspection fees, labor charges, restocking penalties, tank
54 evacuation fees or any other assessment that would result in any
55 additional cost to the consumer for discontinuing delivery service and
56 further provided if the customer does discontinue the delivery service,
57 the customer shall receive a full refund, at the retail price paid by the
58 consumer, for any fuel oil or propane gas in a tank that was removed.
59 A person, firm or corporation selling retail fuel oil or propane gas shall
60 not assess a customer any new fees or increase existing fees for a
61 period of sixty days after the date the customer was first billed, if the
62 customer notifies such person, firm or corporation of the customer's
63 intent to discontinue delivery service within such sixty-day period.

64 (e) Not later than October 15, 2009, a retail fuel oil or propane gas
65 residential heating dealer shall provide written notice to each customer
66 who does not have a written contract in effect with such dealer as of
67 October 1, 2009, of: (1) The amount and a description of all fees such
68 customer may be subject to; (2) the right of such customer to
69 discontinue delivery services without penalty; and (3) the right of such
70 customer to dispute any new fees or fee increases prohibited by
71 subsection (d) of this section.

72 (f) The requirement that any contract be in writing pursuant to this
73 section and section 16a-23n may be satisfied telephonically by a
74 person, firm or corporation selling at retail fuel oil or propane gas, only
75 if: (1) Such telephonic communications are preceded by the purchaser
76 having received all terms and conditions of the contract in writing,
77 except for the contract duration, the unit price and the maximum
78 number of units covered by the contract, if any, in advance of such
79 telephonic communications between such purchaser and the person,
80 firm or corporation selling at retail fuel oil or propane gas; (2) the
81 person, firm or corporation selling at retail fuel oil or propane gas

82 employs an interactive voice response system or similar technology
83 which provides the purchaser with the contract duration, the unit price
84 and the maximum number of units covered by the contract, if any, to
85 complete the contract; (3) the person, firm or corporation selling at
86 retail fuel oil or propane gas retains, in a readily retrievable format, a
87 recording of the purchaser agreeing to each such term and condition
88 for the period of the contract plus one year; (4) the person, firm or
89 corporation selling at retail fuel oil or propane gas sends such
90 purchaser a letter confirming the agreement to such terms and
91 conditions with the written stipulation that the purchaser is bound by
92 such terms and conditions unless the agreement is rescinded by such
93 purchaser, in writing, not later than three business days after receipt of
94 said letter by such purchaser; and (5) the person, firm or corporation
95 selling at retail fuel oil or propane gas retains a copy of each such
96 letter.

97 (g) A violation of the provisions of this section constitutes an unfair
98 trade practice under subsection (a) of section 42-110b.

99 Sec. 2. Section 16a-22b of the general statutes is repealed and the
100 following is substituted in lieu thereof (*Effective July 1, 2009*):

101 (a) No retail dealer of fuel oil or propane shall assess a surcharge on
102 the price of fuel oil or propane delivered to a customer if the delivery
103 of the fuel oil or propane is in an amount in excess of one hundred
104 gallons, except that a surcharge may be assessed if a delivery is made
105 outside the normal service area or the normal business hours of the
106 dealer or extraordinary labor costs are involved in making a delivery.
107 Any other fee, charge or penalty shall be assessed in accordance with
108 the provisions of section 16a-21, as amended by this act.

109 (b) No retail dealer of fuel oil or propane shall assess a residential
110 customer a minimum delivery surcharge on any delivery initiated by
111 the seller, including any delivery under an automatic delivery
112 agreement.

- 113 (c) A violation of the provisions of this section constitutes an unfair
114 trade practice under subsection (a) of section 42-110b.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009</i>	16a-21
Sec. 2	<i>July 1, 2009</i>	16a-22b

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Sec. 2	<i>July 1, 2009</i>	16a-22b

Statement of Purpose:

To protect residential purchasers of retail fuel oil and propane gas.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]